

Message Text

UNCLASSIFIED

PAGE 01 KINGST 02154 271307Z
ACTION ARA-14

INFO OCT-01 ISO-00 AGRE-00 CIAE-00 COME-00 EB-08
INR-10 LAB-04 NSAE-00 SP-02 STR-07 TRSE-00 FRB-01
OMB-01 /048 W
-----050205 271756Z /43
R 242141Z FEB 78
FM AMEMBASSY KINGSTON
TO SECSTATE WASHDC 9915

UNCLAS KINGSTON 2154

FOR: ARA/ECP TRADE AND ANALYSIS DIVISION

E.O. 11652: N/A
TAGS: EPAP, ETRD, JM
SUBJECT: IMPORTANCE TO THE JAMAICAN ECONOMY OF TEXTILE
AND APPAREL EXPORTS TO THE U.S.

REF: WELDON BURSON'S INQUIRY TO DONOR LION,
DATED FEB. 14, 1978

1. TOTAL EMPLOYMENT IN THE TEXTILE AND CLOTHING
MANUFACTURING INDUSTRY IN JAMAICA IS ESTIMATED AT ABOUT
8,000. AN ADDITIONAL 4,000 ARE EMPLOYED IN RETAILING.
THE NUMBER OF WORKERS IN THE INDUSTRY OWING THEIR JOBS
TO EXPORTS IS ESTIMATED AT 1,800 (THIS NUMBER IS INCLUDED
IN THE ABOVE-CITED FIGURES). ABOUT 85 PERCENT OF JAMAICA'S
CLOTHING AND TEXTILE EXPORTS GO TO THE UNITED STATES.
THUS, SOME 1,530 WORKERS WOULD LOSE THEIR EMPLOYMENT IF
THE U.S. TEXTILE AND CLOTHING MARKET WERE COMPLETELY CUT
OFF.

2. ADMITTEDLY, 1,530 JOBS CONSTITUTE ONLY .2 PERCENT OF
THE TOTAL ESTIMATED EMPLOYMENT IN JAMAICA (685,850 IN
1976). HOWEVER, WITH THE UNEMPLOYMENT RATE CURRENTLY IN
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KINGST 02154 271307Z

THE RANGE OF 25-30 PERCENT, ANY U.S. ACTION THAT WOULD RAISE
UNEMPLOYMENT IS LIKELY TO ELICIT A VERY ADVERSE REACTION.
MOREOVER, MOST OF THE EMPLOYEES IN THE CLOTHING AND
TEXTILE INDUSTRY ARE WOMEN WHOSE UNEMPLOYMENT RATE IS
SIGNIFICANTLY HIGHER THAN THE NATIONAL AVERAGE (ABOUT 40
PERCENT).

3. WE WERE INFORMED THAT A TEXTILE AGREEMENT WAS SIGNED IN WASHINGTON LATE LAST YEAR ESTABLISHING ANNUAL TEXTILE QUOTAS OF 700,000 SQ. YDS. PER CATEGORY OR ITEM (I.E. SHIRTS, SHEETS, HANDKERCHIEFS, ETC.). THUS, JAMAICA'S TEXTILE AND APPAREL INDUSTRY IS ALREADY SUBJECT TO QUOTAS BROKEN DOWN BY ITEM.

4. ASSUMING NO RESTRICTIONS ON EXPORTS, THE TEXTILE AND CLOTHING INDUSTRY IS LIKELY TO EXPAND. ANOTHER U.S. FIRM HAS COME DOWN RECENTLY TO INVEST IN A JOINT VENTURE. ITS ACTIVITY IS EXPECTED TO RAISE EMPLOYMENT BY ABOUT 1,000 AND WOULD BRING TO SIX THE TOTAL NUMBER OF FIRMS IN THE INDUSTRY OWNED BY THE U. S. (OR HAVING U.S. CAPITAL PARTICIPATION).

5. WITH REGARD TO WHETHER JAMAICAN FIRMS CAN READILY SHIFT THEIR EXPORTS FROM ONE COUNTRY TO ANOTHER, WE WERE INFORMED THAT SUCH FLEXIBILITY IS VERY LIMITED IN THE SHORT RUN. THE TEXTILE AND CLOTHING EXPORT SECTOR IS GEARED TO THE U.S. MARKET AND WAS, IN FACT, DEVELOPED BY U.S. FIRMS ON THE BASIS OF THE "DRAWBACK" SYSTEM. IN THE LONG RUN, SOME SHIFT TOWARD THE EUROPEAN MARKET MAY BE POSSIBLE, BUT THIS WOULD REQUIRE A MASSIVE EFFORT, INCLUDING A MAJOR ADVERTISING CAMPAIGN, DEVELOPMENT OF A SALES ORGANIZATION, ETC.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 KINGST 02154 271307Z

6. THERE IS MUCH MORE FLEXIBILITY IN THE AREA OF SHIFTING FROM ONE PRODUCT LINE TO ANOTHER (E.G. FROM ONE ITEM OF WOMEN'S CLOTHING TO ANOTHER) AS THE SAME EQUIPMENT CAN BE USED.
HAVERKAMP

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, EXPORTS, TRADE, ECONOMIC STABILITY, EMPLOYMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 24 feb 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINGST02154
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780089-1166
Format: TEL
From: KINGSTON
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780217/aaaaaojy.tel
Line Count: 98
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 5bd138d0-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: ONLY
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3490027
Secure: OPEN
Status: NATIVE
Subject: IMPORTANCE TO THE JAMAICAN ECONOMY OF TEXTILE AND APPAREL EXPORTS TO THE U.S.
TAGS: EPAP, ETRD, JM
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/5bd138d0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014